VERIFICATION

State of Maryland)
County of Howard)

Betsy Powell, being duly sworn, states that she is the Vice President of Service Delivery for e.spire Communication, Inc., and that the facts set forth above are true and correct to the best of her knowledge and belief.

Betsy Powell

Subscribed and swom to before me, this 5th day of April, 2002.

Car you

My commission expires:

KATHLEEN ROBINSON
NOTARY PUBLIC STATE OF MARYLAND
County of Anne Arundel
My Commission Expires November 1, 2004

Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554



APR 0 5 2002

In the Matter of)	PERENAL COMMUNICATIONS COMMISSION OFFICE OF THE SECRETARY
Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers)	CC Docket No. 01-338
Implementation of the Local Competition Provisions of the Telecommunications Act of 1996)	CC Docket No. 96-98
Deployment of Wireline Services Offering Advanced Telecommunications Capability)	CC Docket No. 98-147

AFFIDAVIT OF NICHOLAS D. JACKSON

- I, Nicholas D. Jackson, pursuant to 28 U.S.C. Sec. 1746 do hereby declare, under penalty of perjury, that the following is true and correct:
- 1. I am employed as Vice President Business Operations by TDS Metrocom, Inc.
- 2. My business address is 525 Junction Road, Suite 6000, Madison, WI 53717-2105.
- 3. TDS Metrocom is a competitive local exchange carrier currently providing service in Illinois, Michigan and Wisconsin. TDS Metrocom is a wholly-owned subsidiary of TDS Telecom. TDS Telecom also owns and operates 106 rural, incumbent local exchange carriers in 28 states. TDS Telecom is itself a wholly owned subsidiary of Telephone & Data Systems, a publicly-owned holding company that trades on the American Stock Exchange under the symbol TDS.
- 4. The purpose of this Affidavit is to provide information relevant to the FCC's proceeding reviewing ILEC unbundling obligations. The statements below will provide evidence showing that it is imperative that TDS Metrocom continues to

have access to UNEs, that alternatives to ILEC provisioning of these elements are minimal in some areas and completely nonexistent in most others, that TDS Metrocom would be seriously impaired in its ability to provide service without critical UNEs, such as loops (including conditioned loops, sub-loops and high capacity loops), interoffice transport and OSS. Further, restricting unbundling requirements based on whether or not the facilities can be used for broadband services would undermine TDS Metrocom's access to the customer and stifle innovation in new products and services.

- 5. TDS Metrocom serves both residential and business customers in mostly small to medium-sized markets with 10,000-100,000 residents. TDS Metrocom offers customers a full range of products including local and long distance voice, dial-up Internet access, custom calling features, voice mail, DSL and other data products, among other things. Through the use of innovative pricing and bundling of products and services TDS Metrocom has grown to over 160,000 lines, of which nearly one half (75,000) belong to residential voice and DSL customers.
- 6. TDS Metrocom uses a mix of its own facilities and UNEs to provide service in its chosen markets and does not use resale or UNE-P provisioning methods. Self-provisioned facilities include 7 Class 5 Siemens EWSD switches, over 100 collocation sites with DSL capability, fiber transport and/or SONET rings in selected markets and limited facilities built directly into customer premises.
- 7. TDS Metrocom is fully funded through internal sources by its corporate parent,

 Telephone & Data Systems. While such internal funding has provided insulation

 from excessive market volatility, the company's internal investors are no less

demanding than outside investors. With cellular, ILEC, CLEC and international holdings (and previously paging and PCS holdings), the management of Telephone & Data Systems has numerous alternatives for its capital investment funds. Accordingly, with every request for funding to enter a new market or expand facilities, TDS Metrocom must develop rigorous 10-year financial plans that provide a clear blueprint for future profitability. Based on these approved business plans, TDS Metrocom has already invested over \$200 million in facilities with each and every foray being cost-justified.

- 8. The result of the careful planning process described above has been very targeted investment and overbuilding of the ILEC network only in cases where it was economically rational to do so. For example, many of the locations where TDS Metrocom has facilities directly into a customer premise are buildings owned or leased by company affiliates TDS Metrocom, TDS Telecom, US Cellular and Telephone & Data Systems corporate headquarters, call centers, data centers and other buildings. The investment in these facilities could be justified because stable long-term customers with known revenue streams were located at the site. Similarly, in areas where there is a large customer base, building interoffice transport facilities to link various ILEC central offices with TDS Metrocom's switches can be cost-justified once traffic levels become high enough.
- 9. Because of limited resources for investment, but with the desire to serve any and all customers in each market entered, there is obviously a need to find alternative sources to reach customer premises and to link collocation sites to the TDS

 Metrocom switch. Extensive research has been done to identify all potential

sources for these facilities. Unfortunately, the results of ongoing research continue to be the same - while options exist over a few selected transport routes and to a very small number of buildings, the only carrier with anything even close to ubiquitous coverage is the ILEC. Wireless local loop alternatives are too costly, are not available in TDS Metrocom markets and do not provide a platform robust enough for the products and services TDS Metrocom offers. Similarly lacking are fiber wholesale markets especially in smaller communities where the only alternative fiber in place in likely to be long haul transport facilities usable only for interexchange traffic.

Metrocom. In particular, access to the local loop, conditioned loops, sub-loops and high capacity loops is vital. For residential and small business customers who are served off of basic loops or sub-loops, there is absolutely no way to justify overbuilding ILEC facilities using current technology, be it wireline, wireless or satellite. Even for the largest business customers who use high capacity loops, overbuilding is inefficient except in very limited circumstances. When looking at TDS Metrocom's largest business customers based on revenue, and therefore those cases where investment in facilities could potentially be recouped, as of mid-2001 building facilities to only 86 out of 1356 large business customers, around 6%, could be cost justified. Couple that with the fact stated above that many of TDS Metrocom's largest business customers are company affiliates, and one can see that self-provisioning accounts for a minimal amount of necessary loop facilities. Additionally, because of the lack of adequate third-party

- alternatives to the ILEC network in TDS Metrocom's markets, not a single loop to an end user has been provisioned through a third party vendor. ILEC loops continue to be the only available link to the vast majority of current and prospective customers.
- 11. With respect to a second important element, interoffice transport, the state of the market is similar, especially in the tier 2 and 3 markets where TDS Metrocom operates. In order to justify building redundant facilities to connect TDS Metrocom switches to collocation sites in ILEC central offices, there needs to be a very large customer base with a high level of traffic to cover the cost of deployment. TDS Metrocom has found that it can cost up to \$20-\$30 per foot and up to \$150,000 per mile to lay fiber. Added to that is the cost of obtaining franchise or right of way agreements which can be as high as \$10,000 and ongoing right of way use fees that in some cases have been as high as \$0.20-\$0.30 per foot, per year. This presents a significant hurdle that must be overcome to recoup investment in facilities. Since the ILEC is unlikely to encounter the same costs and time delays with deployment, the only economically prudent course is to use ILEC transport UNEs.
- 12. The Commission must understand that market forces and policy decisions severely constrain carriers who wish to build facilities from recovering the costs of those facilities. CLEC retail rates are effectively capped near the ILEC rate for obvious competitive reasons. Consider also that for much of TDS Metrocom's target market, residential customers, those rates have been suppressed over time for policy reasons, thus limiting recovery of investment costs even further. On

the wholesale side, regulators have curtailed recovery of costs by limiting CLEC access rates and raising the specter of full bill-and-keep compensation under the misguided impression that CLEC cost structures are identical to those of giant 100-year old monopolies. If CLECs cannot adequately recover the massive cost of building out a redundant network from their retail customers or their wholesale customers, what must be done? The only rational thing to do is to target investment in facilities where practical and to access the ILEC network through UNEs at all other times because its huge economies of scale and other efficiencies reduce costs for everyone on the network.

- 13. Even with the many challenges facing CLECs, especially those who seek to serve residential customers, TDS Metrocom's business plan is proving successful.

 Giving customers a choice of providers who offer a full suite of voice and data services has resulted in numerous customer benefits in the way of innovative pricing and bundling packages and the deployment of advanced services.

 However, this will only continue if TDS Metrocom is able to obtain the UNEs it needs and offer any and all services over those facilities. If regulators were to restrict access to portions of the ILEC network or limit the type of services CLECs can provide over UNEs, gaining new customers will be difficult if not impossible.
- 14. Proposals to exempt broadband or newly-deployed networks from UNE requirements ignore the fact that a single network is used to provide all of these services by the ILEC. Data and voice run over the same facilities and will continue to do so although the mix of such services may change over time. A

system where ILECs are able to use facilities for whatever purpose they want yet CLECs can only provide limited services or not even access certain portions of the network would be inherently discriminatory and would be a detriment to customers. Any restrictions based on a snapshot of technology and services today could suppress the development of creative new uses for the network that may not be envisioned at this point in time. Simply put, TDS Metrocom's experience shows that open networks promote innovation and competition.

- 15. If these restrictions had been in place previously, many customers in TDS

 Metrocom's markets would have missed out on numerous new product and
 service bundles and it is likely that many would not have access to DSL. TDS

 Metrocom was the first carrier to provide DSL to residential customers in most of
 its markets in Wisconsin and Illinois. The ILEC did not begin to provision DSL

 until after TDS Metrocom had shown success in the market, even though cable
 modems had been in place in some areas prior to TDS Metrocom DSL entry. In
 fact, there remain some customers whose only DSL option is TDS Metrocom, not
 the ILEC. Similarly, in some areas TDS Metrocom provides DSL in competition
 with the ILEC where cable modems have yet to enter the market. UNE
 restrictions on facilities or services would clearly have slowed the roll out of
 broadband to customers, mostly residential customers, in many TDS Metrocom
 markets.
- 16. Examples also exist where the ILEC has used its position as the monopoly provider of loop facilities (and in the case below, broadband services) to limit choice in voice services. In a few geographic locations where TDS Metrocom

provides voice but not DSL service (because access to remote terminals has been difficult to obtain or impossible to cost-justify), the ILEC has used this situation as a means to lock in business customers. In cases where business customers have voice and DSL service from the ILEC, the DSL service is many times placed on the customer's first/main line. This line is usually the number where hunt groups are targeted and is the main billing number. As such, in order for TDS Metrocom to provide voice service to the customer it must have this first line. However, there are numerous examples where the ILEC has refused requests from their own customers to move the DSL line to another copper pair. This leaves the customer with the choice of either keeping the ILEC voice service in order to keep its data connection running or disconnecting its DSL (and incurring early termination penalties) in order to take TDS Metrocom voice service. A disconnection of DSL also forces customers to wait weeks or months to get a newly installed DSL connection from the ILEC and to pay additional installation charges.

17. The result of Commission action to reduce the current list of UNEs or place restrictions on how facilities can be used would be a detriment to customers everywhere. TDS Metrocom entry into the market has proven that competition spurs innovation through its deployment of facilities and services. TDS Metrocom market entry forces the ILEC to respond with changes to its product offerings and acceleration of its technology deployment. As TDS Metrocom deployed DSL and service bundles with features like unlimited local calling, the ILEC responded in kind by investing more in facilities and promoting relatively

hidden service bundles. TDS Metrocom is now responding in some areas by altering its own product offerings to be more competitive. This cycle of innovation was the goal of the 1996 Telecom Act and is occurring, albeit on too limited a scale. However, only with adequate access to UNEs has this occurred and will it continue to occur and expand in the future.

18. This concludes my Affidavit.

Executed this 4th/day of April, 2002

Nicholas D. Jackson

RECEIVED

Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

APR 0 5 2002

In the Matter of	OFFICE OF THE SECRETARY
Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers) CC Docket No. 01-338
Implementation of the Local Competition Provisions of the Telecommunications Act of 1996))
Deployment of Wireline Services Offering Advanced Telecommunications Capability) CC Docket No. 98-147)

AFFIDAVIT OF ROBERT RIORDAN METROMEDIA FIBER NETWORK SERVICES, INC.

- I, Robert Riordan, pursuant to 28 U.S.C. Section 1746, do hereby declare, under penalty of perjury, that the following is true and correct:
- 1. My name is Robert Riordan. I am employed by Metromedia Fiber Network Services, Inc. ("MFN") as Director of LEC Relations. My business address is 360 Hamilton Avenue, White Plains, NY 10601, and my telephone number is (914) 421-6732. As Director of LEC Relations, I am responsible for negotiating interconnection agreements with all ILECs.

BACKGROUND

- 2. MFN is a competitive provider of dedicated optical fiber transport and high-bandwidth Internet connectivity for communications intensive customers throughout the nation. MFN or its affiliates currently provide high-bandwidth fiber optic transport and connectivity in major U.S. metropolitan areas.
- 3. MFN also leases dark fiber to carriers for use in providing telecommunications services to their end-user customers. MFN endeavors to compete directly with ILECs, including SBC, Verizon and Qwest, in the provision of interoffice and long haul transport to competitive local exchange carriers ("CLECs") and other carriers.

- 4. As a competitive provider of dedicated fiber transport, MFN is in a unique position to facilitate telecommunications competition by providing state-of-the-art dedicated transport alternatives to other telecommunications service providers. These providers often must go to the ILEC central offices ("COs") to access unbundled network elements ("UNEs"); MFN's dark fiber backbone network seeks to provide an alternate method of providing connectivity between the ILEC COs and carrier equipment located elsewhere.
- 5. MFN needs access to ILEC dark fiber in order to expand the reach of its network and provide other CLECs with a competitive choice in transport services. MFN has worked for years to cooperate with ILECs to develop efficient ways for MFN and its customers to access and order Central Office based interconnection to UNEs. I will provide a synopsis of MFN's progress with respect to dark fiber, and ask that the Commission use its examples as a benchmark for ILEC provisioning rules.

METHODS FOR ACCESSING DARK FIBER

- 6. Competitive Alternate Transport Terminal ("CATT") is a form of physical interconnection that provides CLECs with access to MFN's dark fiber backbone network. CATT interconnection enables MFN to extend its multiple high-count dark fiber (up to 432 fibers in a single fiber pull) directly to a universally accessible distribution point within an ILEC's central office, without having to "light" the fiber with expensive optical-electrical conversion equipment. CATT also eliminates multiple fiber pulls into the central office thereby reducing construction in the streets, space constraints and expenses for the collocated CLECs and the ILEC. The fiber can then be distributed as dark fiber on an as-needed basis to collocated CLECs, thus providing CLECs with access to virtually unlimited bandwidth on demand and a competitive alternative to ILEC interoffice transport.
- 7. In 1999, MFN negotiated CATT agreements with Bell Atlantic as well as unique collocation arrangements with GTE (which now comprise Verizon) that enable MFN to extend its multiple high-count dark fiber directly to a universally accessible distribution point within all Verizon central offices, without having to meet previous requirements that the fiber be "lighted" with expensive optical-electrical conversion equipment. This CATT agreement also allows MFN to provide interconnection to its CLEC customers without having to directly connect to or resell ILEC UNEs itself. The MFN-Verizon CATT agreement was an industry first. This form of interconnection, which is technically similar to cageless physical collocation, allows MFN to use stable fiber distribution points at the ILEC CO for the purpose of providing other CLECs with a competitive choice for interoffice transport throughout the Verizon region.
- 8. An even further development in accessing dark fiber is a capability recently offered by Verizon in Massachusetts, whereby Verizon offers a cross-connect that allows MFN to access dark fiber loops and transport. This arrangement obviates the unnecessary cost of traditional collocation to cross connect dark fiber transport to loops; it is the functional equivalent of a splice. Massachusetts remains, however, the only state in which these cross-connects are offered.

- 9. In the Verizon-Massachusetts arrangement, MFN pulls high-count fiber into the cable vault of the central office and terminates fibers to the fiber distribution panel. Verizon or the CLEC then can run a dark fiber cross-connect to its collocated equipment, in either a physical or virtual collocation arrangement, within the central office. The CLEC's approved vendor runs a dark fiber cross connection from the cable vault to the CLEC collocation arrangement. With this arrangement, MFN or another CLEC can obtain unbundled loops or services from Verizon and cross-connect them directly to the competitive interoffice and long haul transport provided by MFN.
- 10. Once the cross-connections are in place, the Verizon-Massachusetts version of CATT is technically equivalent to cageless physical collocation. The only difference between the CATT arrangement and the physical collocation arrangements deployed by most CLECs is that, in the case of CATT, the collocation at the ILEC's central office is in the cable vault instead of the collocation space used by traditional CLECs.
- 11. The fact that Verizon has allowed these interconnection arrangements to be deployed demonstrates that they are technically feasible and that they should serve as benchmark requirements for other ILECs.
- 12. MFN has negotiated a dedicated entrance arrangement with SBC in which MFN can place up to 432 fibers in dedicated manhole entrances for the purpose of allowing MFN's customers to access their physical and virtual collocation nodes in SBC Central Offices. This arrangement, like the CATT arrangement negotiated with Verizon, provides MFN with a stable point to meet customers, and also eliminates the need for multiple pulls to the same central office an arrangement that MFN was forced to make in order to access SBC offices prior to this agreement.
- 13. While MFN is pleased with this agreement, as it allows MFN to serve the collocation needs of its CLEC and Carrier Customers more efficiently, SBC has repeatedly refused to offer MFN collocation for the purpose of accessing dark fiber UNEs. This is despite the fact that MFN has already negotiated such agreements with Verizon (Bell Atlantic and GTE), Qwest, and BellSouth. In refusing MFN collocation to access dark fiber UNEs, SBC has without justification insisted that MFN collocate equipment necessary to "light" the fiber in the end office.

INFORMATION ON DARK FIBER LOCATION

14. As important as the ability to access dark fiber is the ability to know where dark fiber resides in the network. MFN has experienced tremendous difficulty in obtaining this information from most ILECs. When MFN cannot obtain this information, it is forced to submit "blind" orders for dark fiber, without knowing which central office contains it or which customers it reaches; almost universally, these orders are denied under the reason "no facilities available." In the alternative, MFN must submit blanket search orders that require a location-by-location search for dark fiber, which causes extreme delay and is prohibitively expensive.

- 15. Qwest has developed an exception to this rule. Qwest has developed a database, the Loop Fiber Inventory Tool ("LFIT"), that includes information about all forms of fiber facilities that serve a particular customer premises. This information includes total fibers, working fibers, restricted fibers, and spare fibers. Where dark fiber reaches a premises but is not in use, the LFIT database provides that information as well.
- 16. In short, Qwest has developed access a loop database for fiber that is analogous to the loop database access that Commission rules require for copper loops. Its endeavor shows that such a system is not only theoretically feasible, but it is actually workable. This system has assisted MFN tremendously in assessing its network needs and serving customers.
- 17. All ILECs should provide similar information about fiber, and especially dark fiber, loops. This information is most likely available to ILEC retail representatives, just as the Commission has found copper loop information to be. As such, the Commission should order ILECs to provide nondiscriminatory access to this information, in order that CLECs may properly avail themselves of dark fiber as the rules provide.

This concludes my affidavit.

Executed this 5th day of April, 2002.

Metromedia Fiber Network Services, Inc.

SUBSCRIBED AND SWORN TO BEFORE ME this _____ day of April, 2002.

My Commission Expires:

VVETTE KITROSSER
Notary Public, State of New York
No. 32-5006642
Qualified in Hew York County

Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

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In the Matter of)	APR 0 5 2002
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Deployment of Wireline Services Offering Advanced Telecommunications Capability) CC Docket No. 98-147)	

AFFIDAVIT OF JOSEPH POLITO SNIP LINK, INC.

- I, Joseph Polito, pursuant to 28 U.S.C. Section 1746, do hereby declare, under penalty of perjury, that the following is true and correct:
- I am employed by SNiP LiNK, Inc. ("SNiP LiNK") as Director, Telecommunications
 Products. I have held this position since January 2001.
- 2. My business address is 100-A Twinbridge Drive, Pennsauken, NJ 08110.
- 3. SNiP LiNK is a facilities-based CLEC serving small businesses and institutional end users in suburban southern New Jersey and southeastern Pennsylvania. SNiP LiNK provides its customers with a full suite of bundled voice and broadband services using its own switching equipment and leased ILEC transmission facilities, principally as transport unbundled network elements ("UNEs"). Recently, SNiP LiNK commenced deployment of its first fiber ring. SNiP LiNK has been especially successful in bringing broadband Internet access services to school districts throughout the greater Philadelphia metropolitan area.

Difficulties in Obtaining Rights-of-Way

- 4. In order to build their own transport or local loop structure, SNiP LiNK must obtain the required rights-of-way. SNiP LiNK has found that obtaining rights-of-way in New Jersey, its core market at this time, is a very difficult process that is skewed in Verizon's favor. According to information provided by the New Jersey Board of Public Utilities ("NJ BPU"), New Jersey has no formal rules to govern the manner in which pole attachments are placed. The NJ BPU states that the matters of how rights-of-way and poll attachments are managed are left to the utilities to manage as they wish. Verizon has blanket authority to use rights-of-way and pole attachments for building its local network without applying to the local municipalities for permission, without paying a fee, and without rules from the NJ BPU.
- 5. All other carriers, including SNiP LiNK, must apply for use of a right-of-way. In two municipalities, Merchantville and Pennsauken, New Jersey, SNiP LiNK's Contractor had to pay fees of approximately \$2,000 for each application.
- 6. In addition to the cost of applications, SNiP LiNK also incurs a substantial delay in obtaining approval for the requested rights-of-way. At this time, more than 80% of the applications filed by SNiP LiNK's Contractor are still pending. SNiP LiNK is unable to build facilities until those applications are reviewed and granted. And rarely does a municipality have codified review procedures that enable SNiP LiNK to monitor application status. Verizon simply does not experience these difficulties it never has to apply in the first instance.
- 7. Finally, once SNiP LiNK obtains the requested rights-of-way, the construction process is equally rife with delay, and sometimes more so. Verizon's standard right-of-way license

agreement contains very specific application, make-ready and construction timelines that all licensees must follow. These intervals add up to literally months before a licensee is actually able to construct facilities. Verizon, on the other hand, has complete control over its own construction, because it is the sole holder of the rights-of-way.

Alternatives to ILEC Unbundled Transport Are Not Available as a Practical Matter

- 8. SNiP LiNK must obtain transport facilities from ILECs, principally Verizon, in order to serve its customers. SNiP LiNK requires these facilities in order to carry bundled voice and broadband traffic. We have not been able to obtain the ubiquitous network build-out that we require in our markets without ILEC transport. For the reasons explained above, transport installation is made very difficult for us by the arcane rights-of-way process in many New Jersey municipalities. Third-party vendors face these same problems.
- 9. Verizon, by contrast, has full access to any right-of-way, and has been able to achieve crucial network ubiquity in transport facilities. As a result, alternatives to Verizon transport are not available as a practical or operational matter, requiring SNiP LiNK to continue to rely on unbundled transport facilities in building out its network. Were SNiP LiNK now unable to obtain transport as a UNE, it would be severely impaired in providing its chosen services to end users.

This concludes my affidavit.

Executed this 4th day of April, 2002.

Joseph Polito
SNiP LINK, Inc.

SUBSCRIBED AND SWORN TO BEFORE ME this

day of April, 2002

My Commission Expires:

JOEL STAIMAN My Commission Expires Dec 26, 2005 State of New Jersey